House, which was brought to the notice of the Government, and which the Government did not consider.

President.—This is a budget session.

Mr. A. B. Salem.—There is no session for the budget alone.

President.—It is to consider the business of the budget and the budget alone that we have this session, and hence no time can be allotted for the despatch of anything other than official business.

Mr. A. B. Salem.—The Diwan must at least give one day. Here, in the Standing Order, it is said "at least as many days as possible compatible with public interest for non-official business shall be allotted." He should cut down the days for official business at least by one day or extend the period by one day. He must give at least one day for non-official business or at least one hour.

President.—You do not read the qualifying clause "as many days as are in his opinion compatible with the public interests for the business of the non-official members."

Mr. A. B. Salem.—That is, you should give as many days as possible to the non-official business.

President.—The Diwan thinks that it is not compatible with public interests to allot any time for non-official business.

Mr. A. B. Salem.—According to the rules, non-officials can have at least one day for themselves.

President.—It is not an absolute right. It is only a qualified right.

Mr. A. B. Salem.—Here we find the word "shall" but not "may".

President.—I mean the Diwan has not allotted any day for the non-official business.

Mr. A. B. Salem.—May I take it Sir, that it is in your discretion not to allot or allot any day for the non-official business?

President.—Yes.

The Finance Member's speech.

Mr. K. Krishna Pisharodi.—Sir, with your permission, I rise to present to this Council the budget estimates for the next financial year. In so doing, I feel my task comparatively lighter than what it was last year. I have already had the benifit of the experience of a budget debate in this Council and thus realising the view point of the members who constitute this House. The budget estimates I propose to present have been fully discused by the Standing Finance Committee, and I must

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gratefully acknowledge that I have considerably been benefited by the valuable suggestions they have made. These are factors, which, I trust will help to ensure a smooth passage for these proposals through the House.

In the method of its treatment the budget now before this House differs in one or two respects from its predecessor. (1) I have supplemented the budget statements with a memorandum explaining the essential details of the several items in the hope that it will, to some extent, facilitate scrutiny. (2) Some of the items of expenditure classed as non-votable in the last budget have now been taken over into the votable list in deference to the observations made by the Standing Finance Committee. The Cranganur budget has also, for the first time, been tabled for discussion in this Council in the same way as the State budget, as desired by some members during the general discussion of the budget last year.

To those who desire additional information or explanation of items in the budget, I can only repeat what I said last year, that my services are entirely at their disposal, and I shall be only too glad to afford them every assistance.

I do not, in dealing with the budget, propose to trace the financial development of the State in the past. I have partly dwelt on it in my last budget speech, and a retrospect and review of the same subject would now be superfluous. I have, therefore, only to take the subject from where I left it then and also to elucidate our programme for the ensuing year.

ACCOUNTS OF 1100.

I shall, in the first place, speak a few words on the working of the year 1100 to which my remarks of last year were only anticipations. The revised estimate of receipts for the year 1100 was Rs. 79,62,200 and the expenditure Rs. 69,35,000, resulting in a surplus of Rs. 10,27,200. The actual transactions of the year, however, resulted in a surplus of Rs. 11,56,101, the total receipts and expenditure being Rs. 76,58,790 and Rs. 65,02,689, respectively. There was thus on the revenue side a decrease in receipts of Rs. 3,03,410, due mainly to the larger fall in revenue under 'Railway', owing to the suspension of traffic consequent on the floods than was anticipated and the decreased revenue under 'Forests'. On the expenditure side there was a saving of Rs. 4,32,311, the most noticeable heads showing savings being 'Public Works', 'Railway', 'Forests', etc.

At the end of 1100 the State had a net asset of Rs. 41,56,453 after providing for all liabilities as against Rs. 30,00,352 at the beginning of the year. A word of caution, or of explanation,

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may not be out of place with regard to the large net asset referred to. Of this, a sum of Rs.6,88,058 represents the expenditure incurred on Harbour Works up to the end of the year and adjusted to 'Investments—Capital' agreeably to the wishes of the Council. I may also inform the House that this is not a permanent debit, the head 'Investments—Capital' to which the amount now remains debited serving only as an adjusting head, pending settlement of a final debit. The idea, as explained in the last budget session, is to raise, if necessary, a loan for financing the Harbour Scheme. When that is done, all expenditure connected with the Harbour Works will come under a separate head and the amount now shown under 'Investments —Capital' transferred to that head.

Again, of the balance, a sum of Rs. 1,07,500 lay invested in the Vaniampara Rubber Company, Rs. 1,70,000 in the Cochin Tanneries, Rs. 3,50,000 in the Sitaram Spinning and Weaving Mills, Rs. 52,600 in the 1945-55 War Bonds and Rs. 5,00,000 in the 7percent Mysore Loan. Thus, of the net asset of Rs. 41½ lakhs, nearly Rs.19 lakhs lie in long term investments, and reserving Rs. 10 lakhs for the treasury transactions, it is only a sum of Rs. 12½ lakhs that the Darbar have at their disposal for any emergency. In detailing the financial position thus, it is far from my intention to paint any lurid picture of the situation. I shall be satisfied, if the House will agree with me that, though we are in a financially stable condition, we still have to proceed cautiously in working out our programme of expenditure and cannot afford to embark on any big schemes involving large outlay without prejudicially affecting our financial stability and equilibrium.

Let me now pass on to the current and the ensuing year.

In doing so, I would like to invite the reference of the members to my memorandum furnished with the draft budget for the detailed explanations of the variations between the figures of the budget and revised estimates of the current year and the latter and the budget estimates of the next year as also for the details of the changes in classification of revenue and expenditure in the new budget.

REVISED ESTIMATES OF 1101.

According to the budget of 1101, we estimated a total revenue of Rs. 70,60,300 and a total expenditure of Rs. 68,92,300, providing for a surplus of Rs.1,68,000. We now estimate that we shall receive Rs. 71,85,700 or an improvement of Rs. 1,25,400, and our expenditure is not expected to exceed Rs. 66,92,600 which is Rs.1,99,700 less than the budget figure.

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On the receipts side, our anticipation in regard to 'Land Revenue' has not fully materialised. Thus the revised estimate under 'Land Revenue' anticipates a fall of Rs. 68,600 as compared with the budget estimate of Rs. 12,79,900, the main cause of the decrease being the non-disposal of forest exclusions and Chittur *Kanom* lands for want of bidders owing to economic depression. Similarly, the revised estimate of receipts under 'Forests' (Rs. 5,76,900) is expected to fall short of the budget estimate of Rs. 6,13,600 by Rs. 36,700 on account of the dullness of the timber market. Against these decreases, 'Stamps' and 'Customs' anticipate appreciable increases in revenue. Mainly due to the larger sale of court-fee stamp papers and labels, the revised estimate under 'Stamps' is expected to exceed the budget anticipation of Rs. 6,18,500 by Rs. 16,100, while under 'Customs' the moiety due to the Darbar under the Interportal Trade Convention has come this year to Rs. 9,16,600 as against the budget estimate of Rs. 7,00,000, thus exceeding it by Rs. 2,16,600.

Turning to disbursements, it will be seen, as I already stated, that the revised estimates anticipate savings to the extent of Rs. 1,99,700 which are chiefly under 'Forests', 'Education', 'Public Works' and 'Scientific etc., Department'. While the less extensive operations of the department have effected a saving of Rs. 26,400 under 'Forests', 'Education' is responsible for a reduction in expenditure to the extent of Rs. 58,100, mostly due to the fact that sanctioned posts were some of them left unfilled during the year, and the full provision of Rs. 58,500 made for the purchase of furniture and apparatus to the College was not fully utilised. As the duplication of the Water Works machinery provided for in the budget estimate was not effected in the year, the revised estimate under 'Public Works' expects savings to the extent of Rs. 31,700, while the savings under the 'Scientific, etc., Department' to the extent of Rs. 16,100 are mainly the outcome of the tentative abolition of the post of the Superintendent of Industries, the non-utilisation of the provision under 'Coir Factory' and the savings under 'Stone-ware Factory'. Small decreases in expenditure are also noticeable under 'Tramway', 'General Administration', 'Military' and 'Miscellaneous', all of which have been duly explained in the memorandum. Against these savings, however, appreciable increases in expenditure are noticeable under 'Police' (Rs. 16,400), 'Religious' (Rs. 11,300) and 'Charities' (Rs. 10,700), the first, due to the fees of the candidates under training at Vellore, the increased expenditure under Travelling allowance and the purchase of rifles from the Madras Arsenal,

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while the increases under the latter two heads are due to the raising of the religious contribution, the higher rates of rice for *Oottus*, etc. Other increases having been explained in the memorandum, I do not think that it is necessary to repeat them here.

With the additional income and the savings in expenditure during the year we expect to close with a surplus of Rs. 4,93,100, thus raising the net surplus to the credit of the State from Rs. 41,56,453 at the beginning of the year to Rs. 46,49,553 at its close.

We start then the year 1102 with a sum of Rs. 46,49,553 as a net surplus.

BUDGET ESTIMATES OF 1102.

RECEIPTS.

The revenue in the year 1102 is anticipated at Rs. 70,36,700 —a decrease of Rs. 1,49,000 as compared with the revised estimate for the current year. Since it cannot be definitely known whether the excess receipt in the current year under 'Customs' would repeat itself, a sum of Rs. 7,00,000 only is anticipated next year, it being hazardous to over estimate receipts. As regards Forest Revenue, there is, as already stated, dullness in the timber market and since there are no bright prospects of an early recovery, we have budgetted only for a revenue of Rs. 4,83,700 as against the revised estimate of Rs. 5,76,900, thus showing a fall of Rs. 93,200. Owing to the decreased receipts anticipated from Government buildings, tolls, ferries, etc., the receipts under 'Public Works' are also expected to show a decline of Rs. 24,000 as against the revised estimate of Rs. 1,94,400. The revenue under 'Stamps' is fixed for the coming year at Rs. 6,20,900 based on the average of the past three years as against the revised estimate of Rs 6,34,600, since the enhanced receipts of this year cannot certainly be counted upon as a guide for the coming year.

Turning to the other side of the picture, we find appreciable increase in revenue under 'Interest', 'Abkari and Ganja', 'Education', 'Tobacco', etc. The increase under 'Interest' is expected to be from the realisation of interest with arrears on the loan advanced to the Sitram Company. 'Abkari and Ganja' are expected to yield Rs. 31,300 more than the revised estimate of Rs. 8,80, 300 on account of the higher bids at auction sales. The opening of the Senior B. A. classes and the new admissions expected during the year are anticipated to bring in a revenue of Rs. 21,400 more than the revised estimate figure of Rs. 3,08,900 under 'Education'. The increased revenue under

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'Tobacco' only represents the actual rentals for the coming year.

DISBURSEMENTS.

The expenditure which is contemplated for 1102 amounts to Rs. 68 91,000 or Rs. 1,98,400 in excess of the revised estimate of the current year. The transactions of the year are thus expected to result in a surplus of Rs. 1,45,700. At the very outset, I may inform the House that the Government have made all possible cuts without the sacrifice of efficiency. They have subjected the proposals of Heads of Departmsnts to a very close scrutiny and have provided what, in their opinion, are only the barest requirements. At the same time they have not been callous to the needs of the departments ministering to the moral and material welfare of the people like 'Education', 'Medical', 'Agriculture', etc.

I shall now proceed briefly to describe the proposals for the expenditure in 1102 and the more important variations in the budget as compared with the present year. These are all set out, of course, in the financial statement, and I will leave the members of the Council to make themselves acquainted with the items of lesser importance from that statement; since it is hardly possible for me to dwell on all these in detail.

Land Revenue.—Only the usual provisions are made in the Land Revenue Department, and the only items that call for special remarks are the provisions of Rs. 6,00 under 'Petrol and accessories to the fishery motor boat' for purchasing a new motor boat in place of the old one that has become quite unserviceable and of Rs. 1,500 towards the expenses for the opening of a Survey School for the training of Village Officers, etc. The hands turned out by the last Survey School have all been either absorbed or engaged by private bodies, and insistent demands are being received for more trained hands. The Government are also in need of hands trained in survey to take the place of those who are being retired on superannuation. It is further proposed to take advantage of this opportunity to get trained two graduate clerks in the department for the Revenue Inspector's posts.

Agriculture and Panchayats.—The expenditure under 'Agriculture and Panchayats' is expected to be Rs. 31,400 more than that of the current year, mainly on account of the increased contribution to the Panchayats. When the Village Panchayats were first organised in the State towards the close of 1089, the intention of the Government was to introduce them only in certain select villages and the Government undertook the duty of financing these bodies. The revenue on account of *Tirumul-*

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